

**AUBURN CITY COUNCIL AND  
AUBURN URBAN DEVELOPMENT AUTHORITY  
JOINT MEETING MINUTES**

**August 10, 2009  
SPECIAL SESSION**

The Special Joint Session of the Auburn Urban Development Authority and the Auburn City Council was held in the Council Chambers, City Hall, 1225 Lincoln Way, Auburn, California on Monday, August 10, 2009 at 7:11 p.m. with Mayor/Chair J. M. Holmes presiding and City Clerk/Secretary Joseph G.R. Labrie recording the minutes.

**CALL TO ORDER**

**ROLL CALL:**

**Authority / Council  
Members Present:**

Keith Nesbitt, Kevin Hanley, Bill Kirby, J. M. Holmes

**Authority / Council  
Members Absent:**

Bridget Powers

**Staff Members Present:** City Manager/Executive Director Robert Richardson, Council/Authority Counsel Michael Colantuono, Administrative Services/Finance Director Andy Heath, Community Development Director Will Wong, Police Chief Valerie Harris

1. **Public Comment**

None

2. **Mercy Auburn Senior Apartments – Authorization for HOME Program Participation: Authorization for Funding Request and Commitment for Auburn Urban Development Authority (AUDA) Funding**

Community Development Director Will Wong explained that staff was asking for the authority from Council to apply for a grant. He said it is a joint meeting because Council authorization is needed for a HOME application for an affordable housing project as well as AUDA providing redevelopment money, which is housing set-aside funds. He said housing set-aside monies can only be used for affordable housing projects. He said these are competitive applications. He said staff has been working

with Mercy Housing for over a year. He said no other applications or requests have been received for HOME money.

Council questions followed regarding the (1) specific location of the project (2) need for affordable senior housing (3) project dependency on HOME funds and (4) commitment of redevelopment funds.

Council Member Hanley said he supported the use of the redevelopment set-aside funds for low income seniors in the specified area. He said he felt it to be a good use of funds.

Council Member Nesbitt said he felt it to be a great opportunity to assist in a quality project. He said he concurred with Council Member Hanley.

Council Member Kirby said he felt it was a good location for senior housing. He said it would also allow seniors convenient access to public services.

Mayor Holmes asked how the project meets the City's commitment for affordable housing. Mr. Wong answered that it would help the City greatly in achieving its numbers for affordable housing.

By **CITY COUNCIL RESOLUTION 09-104** authorize staff to submit an application to the California Department of Housing and Community Development (HCD) for HOME program participation and for an allocation of \$4,000,000 to construction the Mercy Auburn Senior Apartments, 1 60-unit affordable senior apartment project. **MOTION: Hanley/Nesbitt/ Approved 4:0 (Absent; Powers)**

By **AUDA RESOLUTION 09-10** approve a commitment to contribute \$300,000 from Redevelopment Low/Moderate Housing Set Aside fund toward the construction of the Mercy Auburn Senior Apartment Project and that this commitment shall last unless HCD funding is denied, that the applicant abandons the project, or necessary governmental entitlements for the project are denied; and delegate to the Mayor to work with staff to alter the final agreement to protect the City's interest and use of the \$300,000.00. **MOTION: Hanley/Nesbitt/Approved 4:0 (Absent; Powers)**

## **ADJOURNMENT**

Mayor/Chair J. M. Holmes, without objection, adjourned the meeting at 7:24 p.m.

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J. M. Holmes, Chair

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J. M. Holmes, Mayor

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Joseph G. R. Labrie, Secretary

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Joseph G. R. Labrie, City Clerk



## **CITY COUNCIL MINUTES**

**August 10, 2009**

### **REGULAR SESSION**

The Regular Session of the Auburn City Council was held in the Council Chambers, City Hall, 1225 Lincoln Way, Auburn, California on Monday, August 10, 2009 at 6:00 p.m. with Mayor J. M. Holmes presiding and City Clerk Joseph G.R. Labrie recording the minutes.

#### **CALL TO ORDER**

#### **ROLL CALL:**

**Council Members Present:** Keith Nesbitt, Kevin Hanley, Bill Kirby, J. M. Holmes

**Council Members Absent:** Bridget Powers

**Staff Members Present:** City Manager Robert Richardson, City Attorney Michael Colantuono, Community Development Director Will Wong, Fire Chief Mark D'Ambrogi, Public Works Director Jack Warren, Engineering Division Manager Bernie Schroeder, Transit Analyst Megan Siren, Administrative Services Director Andy Heath, Police Chief Valerie Harris

By **MOTION** adjourn to a Closed Session under Government Code Section 54957.6:

- (1) **CONFERENCE WITH LABOR NEGOTIATORS**  
Agency Designated Representatives: Robert Richardson  
Employee Group: All Bargaining Units

#### **REPORT OUT OF CLOSED SESSION**

No reportable action.

#### **PLEDGE OF ALLEGIANCE**

#### **MAYOR'S COMMENDATIONS/PROCLAMATIONS/ACKNOWLEDGEMENTS/ANNOUNCEMENTS**

Commendation: Dr. Robert Schnetzler, Library Advisory Board, 2000-2009  
Commendation: Sandra J. Elder, Historic Design Review Commission, 2003-2009

Mayor Holmes said that in June he asked an ad hoc committee to review the City's Commissions, Committees and Boards. He said that some of the commissions have changed their focus over the years, such as the Economic Development Commission and the Telecommunications Commission. He said he is hopeful that there will be a preliminary report in September. He said he is particularly interested in the organization of the Endurance Capital Committee. He said there is an appointed City Historian but there are no guidelines as to requirements of the appointment and the duties of the position.

Mayor Holmes announced that he will not be in attendance at the next Council meeting. He said he will be in Washington, D. C. to meet with representatives at the Capitol regarding additional funding for the City.

### **AGENDA APPROVAL**

The agenda was approved as presented by consensus of the Council.

### **CONSENT CALENDAR**

1. **Minutes**

By **MOTION** approve City Council Minutes of June 29, 2009 and July 6, 2009.

2. **Borland Avenue/East Lincoln Way/State Highway 49 Signal Modification Project – Bid Award**

By **RESOLUTION 09-96** authorize the Director of Public Works to execute a construction contract with Teichert Construction for the Borland Ave/State Route 49/Lincoln Way Signal Modification Project in an amount not to exceed \$205,210.50.

3. **Application for State HOME First Time Homebuyer Down Payment Assistance Program**

Removed from the Consent Calendar for discussion at the request of Council Member Nesbitt.

4. **Grant of Easement to PCWA at the Auburn Municipal Airport**

By **RESOLUTION 09-99** authorize the Director of Public Works to record the Grant of Easement and legal description for the area north of the East Area Hangar Waterline Extension to Placer County Water Agency.

5. **Airport Water Connection Fee – 2<sup>nd</sup> Reading**

Introduce for a second reading and by **ORDINANCE 09-04** add section 51.03, regarding the Airport Water Connection Fee to Chapter 51 of the Auburn Municipal Code.

6. **Consultant Agreement for the Borland Avenue/East Lincoln Way/State Highway 49 Signal Modification Project**

By **RESOLUTION 09-100** authorize the Director of Public Works to sign and execute the consultant agreement with KD Anderson & Associates, Inc. for construction support of the Borland Ave/East Lincoln Way/State Highway 49 Signal Modification Project in an amount not to exceed \$13,355.

7. **Acceptance of a \$1000 Grant from the Target Corporation**

By **RESOLUTION 09-101** accept a \$1000 grant from the Target Corporation presented to the Auburn Police Department to be used toward the purchase of surveillance equipment.

\*\*\*\*\* End of Consent Calendar \*\*\*\*\*

By **MOTION** approve the consent calendar with the exception of Item 3.  
**MOTION: Hanley/Nesbitt/Approved 4:0 (Absent; Powers)**

3. **Application for State HOME First Time Homebuyer Down Payment Assistance Program**

In response to Mayor Holmes' questions, Community Development Director Will Wong stated that the City of Auburn has not had previously a First Time Homebuyer's Assistance Program. He said that the reason it is being initiated now is that it is part of the Housing Element and that in the past some Council Members have shown interest in the program. He said it is a competitive process just like the Community Development Block Grants (CDBG). He said the maximum allowed for each buyer would be \$120,000.00. Mr. Wong said that Carol Stuart is the City's housing consultant and will assist City staff in managing the program.

In response to Council Member Nesbitt's question regarding eligibility, Ms. Stuart explained that someone directly involved with the program, approving the buyers, would not be able to participate. She said employees that are farther removed, such as police and firefighters, could participate. Council Member Nesbitt asked if the City would have to deal with a foreclosure if a buyer defaulted in payments. Ms. Stuart responded that typically cities do not get involved with foreclosure action since Federal funds are involved. She said she can only recall one foreclosure

since the early 1990's. She said "the lending criteria for the First Time Homebuyer Program have been much tighter than what we saw in the market for just general loans." She said she did not think that the foreclosure issue is significant to the First Time Homebuyer Program.

- A. By **RESOLUTION 09-97** authorize staff to submit an application to the California Department of Housing and Community Development (HCD) for HOME program participation and for an allocation of \$800,000 for a First Time Homebuyer Down Payment Assistance Program. **MOTION: Nesbitt/Hanley/Approved 4:0 (Absent; Powers)**
- B. By **RESOLUTION 09-98** approve HOME First Time Homebuyer Down Payment Assistance Program Guidelines. **MOTION: Nesbitt/Hanley/Approved 4:0 (Absent; Powers)**

8. **Public Comment**

Mayor Holmes congratulated the Placer County Museums Department for the Heritage Trail weekend event. He said he visited a number of the museums himself and saw a variety of people enjoying the various museum sites.

Michael Otten, President of the Placer County Historical Society, said that Auburn has six museums within walking distance of one another. He said the visitors to City Hall's historic classroom increased from 137 last year to 159 this year. He said the other museums in Auburn had even greater attendance.

**REPORTS**

9. **City Council Committee Reports**

Mayor Holmes said the Sierra Economic Development Corporation (SEDCorp) had its meeting in City Hall the previous week. He said he brought up the availability of Broadband Communications in the North Auburn area. He advised that SEDCorp is working on that issue. He said the group is also trying to get funding for a "Business Boot Camp" for entrepreneurs who are considering opening a business and those already in business.

Council Member Hanley advised that he has been concerned about fires which cause such excessive smoke that it keeps visitors out of the Auburn area. He said he is working with SACOG to study that particular issue. He said there is the possibility that it will be discussed with FEMA. Since



there is such damage to tourism in the area, possibly some funding may be available.

Council Member Nesbitt issued a reminder that there are live performances going on at the Auburn Performing Arts Center. He said Economic Development Commission will be meeting to discuss marketing and directional elements. He said the Placer County Transportation Planning Agency did not meet in July.

Council Member Kirby said everything is going well with the Airport Committee. He said he has attended a number of meetings of committees and commissions in preparation of his preliminary report to the Council. He said there is a lot inconsistency in rules. He said it is his perception that some committee members seem offended that the Council is not willing to take their recommendations. He said he is concerned that they do not understand their advisory positions. He said that he and Council Member Hanley need to discuss it further.

## **COUNCIL BUSINESS**

### **10. Appointment to Library Advisory Board**

Mayor Holmes explained that there were two applications for the position, Ralph H. Petri and William F. Gray.

Council Member Hanley said both candidates were highly qualified for the position. He said his choice will be William Gray since he is already a library volunteer and has a long list of qualifications. Council Member Nesbitt and Council Member Kirby concurred.

Michael Otten, Library Advisory Board, commented that Mr. Petri did attend a meeting at Kings Beach and has been involved with fund raising activities on behalf of "Friends of the Library."

By **RESOLUTION 09-102** appoint William F. Gray to the Library Advisory Board with a term expiring July 31, 2013. **MOTION: Hanley/Nesbitt/**  
**Approved 4:0 (Absent; Powers)**

### **11. Appointment to Historic Design Review Commission**

Mayor Holmes explained that there were two appointments to be made to the Historic Design Review Commission. He said there were two applicants for the position that requires membership in a historical society, Loreley Hodkin and Carmel Barry-Schweyer. He said Carmel Barry-Schweyer was recommended for appointment by the Placer County

Historical Society. Liz Briggs was applying for reappointment as the representative from the Downtown Business District.

Michael Otten advised that Carmel Barry-Schweyer was the recommendation of the Placer County Historical Society. He said she recently retired as curator of Placer County Archives and the board felt she would be a valuable asset to the commission.

Council Member Kirby questioned whether or not the other applicant, if selected, would represent the Placer County Historical Society. Mayor Holmes said if the applicant did not have the endorsement of the Society, it may be questionable.

By **RESOLUTION 09-103**

- A. Reappoint Liz Briggs, as a representative from the Downtown Business District, to the Historical Design Review Commission with the term expiring December 31, 2012. **MOTION: Nesbitt/Kirby/ Approved 4:0 (Absent; Powers)**
- B. Appoint Carmel Barry-Schweyer, a current member of a historical society, to the Historical Design Review Commission with the term expiring December 31, 2012. **MOTION: Hanley/Nesbitt/Approved 4:0 (Absent; Powers)**

12. **Solar Photovoltaic Project**

Public Works Director Jack Warren introduced the item. He introduced Steven Lease who volunteered to complete an evaluation of the proposals submitted for the photovoltaic project, which he has done. He said Mr. Lease is very knowledgeable and has a background in electrical engineering and wind power. Mr. Warren thanked Mr. Lease for his volunteer time.

Mr. Warren explained the process used to obtain a list of firms that were interested in providing a proposal for the project. He said the proposals differed greatly. He said he recommended that selected firms would make a presentation to a panel that would interview them. He outlined the suggested consistency of panel membership to include a member of the City Council. He said it would have to be decided which project would be best for the City.

City Attorney Colantuono explained that, if the Council creates the committee, it will be a "Brown Act body." He said if the Council was concerned that it would impair its functionality, the staff should create the body.

Council questions and comments followed regarding (1) the size of the panel (2) a subjective element by which the panel will make its decision (3) the value of a Council Member's inclusion on the panel (4) limiting presentations to four firms.

Council Member Hanley recommended that the panel include someone from a government agency with recent experience with power-purchase agreements and/or a PG&E representative with expertise on energy prices.

Steven Lease stated that out of the six firms, two fulfilled the requirements of the City in their proposals. He said if the Council wants to extend the courtesy to hear all four firms, it will be handled that way. However, he recommended only firms that met the requirements of the proposal make their presentations since they were both very well qualified.

Council Member Hanley asked that the panel look at the range of options from a small size project to a very large project, depending upon the risk involved. Mr. Warren responded that there is no financial risk because there is no cost to the City to construct the project. Additionally, he said that the power-purchase agreement has to start with a cost that is less than the current PG&E rate. He said the only risk would be that a firm may not complete the project, although there would still be no financial risk to the City. Council Member Hanley said that there is always a chance that the price of energy could fall.

By **MOTION** authorize staff to create an interview panel, consisting of City staff and other experts, without conflicts of interest, for the Solar Photovoltaic Project and to report back to the City Council at an appropriate time. **MOTION: Hanley/ Kirby/Approved 4:0 (Absent; Powers)**

13. **Selection of a Voting Delegate for the Annual League of California Cities Conference**

Mayor Holmes asked if any member of the Council would like to attend the Annual League of California Cities Conference. Council Member Kirby said that he would like to attend.

Mayor Holmes said that the cost would be \$500.00 for the full conference. He said to attend only on the one day when the League has its vote would be \$250.00. He said having previously attended the conference, a lot of time is wasted. Therefore, he questioned the need to attend the entire conference.

Council Member Nesbitt said that he attended the conference last year. He said that the vote is usually taken at the end of the conference. He said there was a lot of useful information presented although the suggestions and programs could not be initiated since at that time the City was already cutting staff. Council Member Nesbitt said it really does not make any difference whether or not the City has a voting delegate.

Council Member Hanley said he looked at the resolutions and did not find them of great importance. He said the conference does provide Council training. He said a policy was initiated a few years ago wherein each Council Member was given \$500.00 to be used for whatever forum that member chose to attend. He said because of the budget difficulties, City employees are not being given additional training. Therefore, he said it may not be appropriate to send Council Members for training at this time. He said he was hopeful that when the economy improves all City training can be restored.

Council Member Kirby agreed with Council Member Nesbitt and Council Member Hanley, and felt it may not be an appropriate time for conference attendance.

Mayor Holmes concurred with the Council Members' comments.

By **MOTION** table this item and reconsider next year. **MOTION:**  
**Hanley/Nesbitt/Approved by Voice**

## **ADJOURNMENT**

Adjourn to a Joint Session of the Auburn City Council and the Auburn Urban Development Authority.

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J. M. Holmes, Mayor

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Joseph G. R. Labrie, City Clerk